



City of Santa Barbara
Airport Department

Memorandum

DATE: February 18, 2015
TO: Airport Commission
FROM: Hazel Johns, Airport Director
SUBJECT: 6100 Hollister Avenue Development

RECOMMENDATION: That Airport Commission receive a status report on the Airport Light Industrial Development project at 6100 Hollister Avenue.

DISCUSSION:

Background

In 1997, City Council approved the Airport Specific Plan to guide development of the Airport's commercial industrial zone property for light industrial and yard uses. Various single tenant proposals were received and vetted for the 14 acre parcel at 6100 Hollister Avenue. All of these proposals failed due to lending institutions requiring lease terms that exceeded the 50 year limit allowed by the City Charter.

In June 2010, Council directed staff to pursue small parcel development for industrial and commercial tenants consistent with the approved Airport Specific Plan for this parcel. This approach would continue the Airport's niche in small light industrial space and could be phased in over a period of time.

While this development approach was possible, long-term financing would be required. The financial pro forma demonstrated that the debt service requirements did not provide for a realistic return on investment.

An unsolicited proposal from Direct Relief, a nonprofit, nonpartisan organization, was received by the City in which Direct Relief would purchase 6 to 8.5 acres of Airport land at a "fair market value" to construct new offices and a warehouse. The sale of Airport land was unprecedented; however, the proceeds would provide the Airport with the funds necessary to construct debt-free industrial buildings, thereby strengthening the Airport's revenue base.

Architectural Board of Review

DMHA Architecture was retained to design a schematic plan for development of Parcel 22, 6100 Hollister Avenue, resulting in separate lots with a building, parking, landscaping, and on site drainage. Depending on the land available after Direct Relief completes its development plan, the Airport could have eight or nine lots available for construction.

In order for the light industrial buildings to be cost effective, a schematic design was prepared using pre-fabricated metal buildings. This concept is consistent with the Specific Plan Design Guidelines, but is rather unique for Santa Barbara. Prior to going forward with further design, staff submitted the design schematic to the City's Architectural Board of Review (ABR) for review and commit on January 20, 2015.

Overall ABR comments were very positive, indicating that this is an appropriate and viable project for the Airport vicinity, and that the project can be supported by the board.

Meeting with City of Goleta

On October 7, 2014, the Goleta City Council established an Ad Hoc Airport Support Property Development Review Committee to study the Airport support property (land north of Hollister Avenue), its ownership, development plans, potential impacts and possible alternatives (Agenda Item D.2, Discussion/Action Item, Meeting Date: November 17, 2014, Goleta City Council).

The first meeting of the Ad Hoc Committee was held on February 4, 2015, and included Council representatives from both cities, appropriate staff from Goleta and the Airport, and Michael Holliday with DMHA Architecture. The agenda items pertained to the status of the Direct Relief and Airport Light Industrial development projects. As these projects progress, additional presentations will be scheduled for the City of Goleta.

Architectural Firm Selection

To continue the design and permitting of the Airport development project, a Request for Qualifications solicitation has been conducted to retain an architectural firm to carry the project through concept design, design development, and the construction document phase. Seven proposals were received and four firms have been scheduled for interviews, with the goal of having a consultant retained by March 15.